



# Working environment

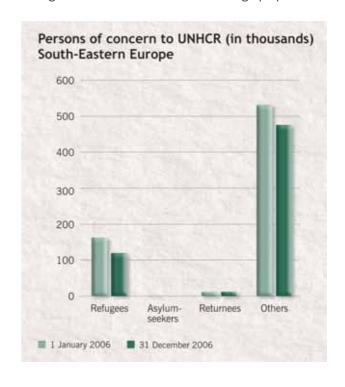
The working environment in the subregion was dominated by two major political developments: the independence of Montenegro and the beginning of status talks concerning Kosovo. After a successful referendum, the Montenegrin parliament declared independence on 3 June 2006 and the country was admitted to the United Nations as the 192<sup>nd</sup> member state. This political development was peaceful and did not lead to any renewed displacement. Serbia subsequently held a referendum on a new constitution, dissolved the government and called for new elections.

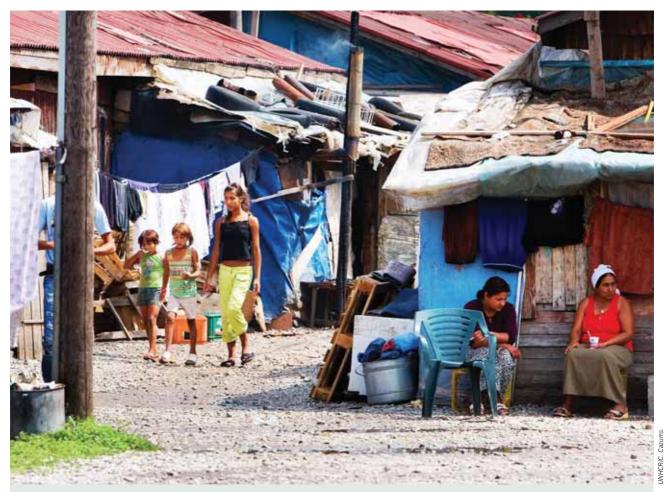
In Kosovo status talks began in earnest after the appointment of the Special Envoy of the United Nations Secretary-General and the establishment of the UN Office of the Special Envoy for Kosovo in Vienna by the end of 2005. In spite of several rounds of negotiations and progress on some issues, the negotiating gap on the fundamental issue of the province's future legal status remained as wide as ever, with Belgrade proposing a high degree of autonomy and the Kosovo PISG rejecting any solution short of independence.

## Achievements and impact

The total number of persons of concern in the region (refugees and IDPs) decreased by almost 100,000

in 2006: from 600,000 at the end of 2005 (164,000 refugees and 436,000 IDPs) to 504,000 at the end of 2006 (120,000 refugees and 384,000 IDPs). The decrease is accounted for partially by repatriation and returns of refugees and IDPs originating from Croatia and Bosnia and Herzegovina and partially by the local integration of refugees in Serbia. However, these positive results do not adequately reflect the problem of the long-term economic sustainability of those who were de-registered or the fact that there is a high proportion





Many displaced Roma from Kosovo live in Konic 1 camp, in the suburbs of Podgorica.

of extremely vulnerable individuals among the remaining refugees and IDPs who continue to rely on UNHCR for protection and assistance.

The Sarajevo Declaration, which resulted from the "3x3 Initiative" jointly undertaken by UNHCR, the European Commission and the Organization for Security and Cooperation in Europe (OSCE), helped provide political impetus and a platform for practical cooperation to remove the remaining obstacles to durable solutions for refugees who fled the wars in Croatia and BiH in the mid-1990s. As a result, some progress was made in de-registering refugees who found durable solutions in Serbia and BiH, and through the Croatian reconstruction and alternative housing care programmes. However, the Sarajevo Declaration did not succeed in overcoming the remaining outstanding issues to be resolved by the end of 2006, namely that of a comprehensive and fair solution for ex-tenancy rights holders and the validation of social rights in Croatia.

While limited but steady progress is still being made in achieving durable solutions for refugees and IDPs, the number of displaced from Kosovo is still high with 207,000 in Serbia, 16,000 in Montenegro and 22,000 within Kosovo itself. This is largely due to the prevailing political and security situation.

426

Consequently, repatriation of displaced Kosovar minorities can only take place on a strictly voluntary basis. At present, local integration is not yet a feasible proposition for a variety of political and socio-economic reasons. As a result, the Office adopted a flexible strategy by continuing to facilitate voluntary returns through "go-and-see" visits and by strengthening the protection regime of IDPs. At the same time, UNHCR strengthened its emergency preparedness to respond to potential renewed displacement in the subregion.

#### Constraints

The main constraints to finding a durable solution for both Croatian IDPs and refugees continued to be the issue of tenancy rights, the validation of social rights, and the lack of employment opportunities. In Kosovo, the province's status was not resolved by the end of the year, making the identification and implementation of durable solutions for IDPs in and from Kosovo difficult to achieve. In Serbia, the fluid political situation held back the adoption of a new asylum law. In Albania, following the election of a new government in late 2005, the Directorate for Refugees was overhauled and new staff were appointed, slowing down UNHCR's capacity-building efforts in the asylum sector.

## **Operations**

In Albania, the pre-screening programme which was implemented in cooperation with the International Organization for Migration, the OSCE and the Ministry of the Interior, was officially handed over to the Government in June 2006. The pre-screening system was an operational tool to identify and channel asylum-seekers, irregular migrants and victims of trafficking into appropriate systems and procedures. At the end of this project, over 2,000 border guards, police officers and government officials had been trained, 11 transit reception centres at major border crossings had been rehabilitated, and eight vehicles and computer equipment had been provided to the authorities.

In 2006, an average of 53 refugees and asylum-seekers were accommodated at the *Babrru* Reception Centre where the government provided them with full board. UNHCR provided medical, legal and social assistance, as well some domestic household items. Another 50 refugees and asylum-seekers living in private accommodation also received medical, legal and social assistance, including a subsistence allowance. All asylum-seeker and refugee children attended primary school. No cases of *refoulement* were reported.

In **Croatia** a new draft asylum law, expected to enter into force in mid-2007, was adopted by parliament in 2006. The law, which provides the basis for a fair and efficient asylum system, incorporates most of UNHCR's comments and suggestions. Croatia recognized its first refugee out of 94 asylum applications lodged to date.

UNHCR, in cooperation with its legal aid network, has intervened in some 20,000 cases in 2006. Of these, 5,600 cases were linked to housing and reconstruction programmes in order to facilitate solutions for the most vulnerable, and the others mainly to regularize returnee status, access to citizenship and to social rights. Out of 10,000 pending cases of returnee applicants for the housing care programme, 2,000 positive administrative decisions were taken during the year, 1,000 returnee families moved into their apartments and a further 550 positive decisions are expected in the near future. Furthermore, 19 mobile support teams were operational and provided basic humanitarian assistance and social counselling to 15,000 returnees. In 2006, 78 refugees successfully acquired Croatian citizenship.

In **Montenegro**, the Montenegrin parliament adopted a new asylum law which largely incorporated UNHCR's suggestions. The new asylum law grants UNHCR access at all stages of the procedure. Concerning refugees from the former Yugoslavia, the Government continued re-registration and status revision. At the end of 2006, the refugee population stood at approximately 6,900 compared to just over 8,400 the previous year. The

decrease is accounted for to a small extent by voluntary repatriation (25 people) and is mainly due to data entry corrections, change in status, or the fact that some refugees have moved to other countries. With regard to IDPs from Kosovo, numbers decreased from about 17,600 to approximately 16,200, partially as a result of refugees returning to Kosovo (199 people), but mainly because of change in status or a move elsewhere. IDPs from Kosovo (including a high proportion of ethnic Roma) and refugees from the former Yugoslavia are officially categorized as "displaced" with an uncertain legal status, having only limited rights and access to health care, social welfare services and the labour market.

UNHCR and its legal aid network provided legal assistance and representation for close to 7,900 refugees and IDPs and managed to obtain over 1,100 legal documents. A total of eight sexual and gender-based violence (SGBV) victims were assisted with representation in court and counselling. Three regional training workshops and two round tables were organized for 150 government officials and local NGO representatives. Furthermore, 84 extremely vulnerable IDPs and refugees were accommodated in seven special institutions, more than 200 families were provided with ad hoc financial assistance and a further 225 families received psychosocial support. Regarding shelter, essential repair works were carried out in three Roma settlements, improving the living conditions for 3,000 IDPs, while the second phase of the construction of an asylum centre was completed.

#### In The former Yugoslav Republic of Macedonia

UNHCR's interventions had a positive impact in the legislative field by improving provisions for refugees and asylum-seekers in the new Law on Aliens, and by ensuring the incorporation of asylum safeguards in the Ministry of Interior's Instructions on the Identification and Assistance of Victims of Trafficking. However, gaps remain in the asylum procedure. Appeal bodies continue to lack the knowledge and independence that are needed to function effectively, despite UNHCR's capacity-building efforts to this end. Moreover, most of the asylum-seekers and refugees in the country are ethnic Roma, Ashkalja and Egyptians from Kosovo. Out of more than 1,900 refugees and asylum-seekers, the vast majority are ethnic minorities. 28 persons among the total population of concern to UNHCR attained refugee status, while more than 1,200 persons seeking asylum have other forms of subsidiary/temporary protection, while the rest have been rejected.

As a result, UNHCR continued to provide subsistence and housing/heating allowances, plus primary health care to all refugees hosted in private accommodation. Twenty-nine women attended evening classes to complete their education, and a total of 26 women benefited from the SGBV referral system. More than 300 of the approximately 1,000 de facto stateless

persons were granted I assistance of UNHCR.

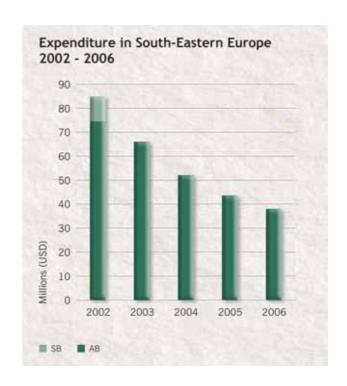
persons were granted Macedonian citizenship with the assistance of LINHCR

numbers of displaced persons of concern does not automatically lead to a proportionate decrease in operational requirements.

### Financial information

The 20 per cent capping of UNHCR's budget had a pronounced impact on the Office's activities in South-Eastern Europe. Food assistance for some 3,200 returnees and IDPs in Kosovo had to be discontinued and there was a 50 per cent reduction in self-reliance and vocational training activities. In The former Yugoslav Republic of Macedonia, the distribution of personal hygiene kits was reduced; training activities were reduced to a minimum; school attendance did not increase and UNHCR was not able to cover the cost of school books and supplies for the children of refugees and asylum-seekers.

UNHCR expenditures in the subregion over the last five years have been reduced by more than 55 per cent in line with the strategy of a responsible phase-down and overall decrease in the numbers of concern in South-Eastern Europe. However, given the high proportion of extremely vulnerable persons among the remaining refugees and IDPs, the reduction in the



| Budget and expenditure (USD)              |              |             |  |
|---|--------------|-------------|--|
| Country                                   | AB           |             |  |
|   | Final budget | Expenditure |  |
| Albania                                   | 1,763,552    | 1,427,060   |  |
| Bosnia and Herzegovina                    | 9,885,180    | 8,722,414   |  |
| Croatia                                   | 4,915,391    | 4,210,120   |  |
| Montenegro <sup>1</sup>                   | 982,918      | 747,735     |  |
| Serbia <sup>1</sup>                       | 22,645,599   | 19,835,518  |  |
| The former Yugoslav Republic of Macedonia | 3,520,897    | 3,087,886   |  |
| Total                                     | 43,713,537   | 38,030,733  |  |

<sup>&</sup>lt;sup>1</sup> Expenditure for Serbia includes activities in Montenegro for USD 1,177,410.

| Restricted voluntary contributions (USD) |                     |            |  |
|--|---------------------|------------|--|
| Earmarking                               | Donor               | AB         |  |
| South-Eastern Europe                     |                     |            |  |
|  | Japan               | 700,000    |  |
|  | Norway              | 981,997    |  |
|  | Sweden              | 3,643,216  |  |
|  | United States       | 11,076,912 |  |
| Sub-total                                |                     | 16,402,125 |  |
| Albania                                  |                     |            |  |
|  | European Commission | 168,793    |  |
| Sub-total                                |                     | 168,793    |  |

| Earmarking                                   | Donor                              | AB         |
|--|------------------------------------|------------|
| Bosnia and Herzegovina                       |                                    |            |
|  | Council of Europe Development Bank | 517,181    |
|  | European Commission                | 782,202    |
|  | Japan Association for UNHCR        | 28,252     |
|  | Norway                             | 26,624     |
| Sub-total                                    |                                    | 1,354,259  |
| Croatia                                      |                                    |            |
|  | European Commission                | 153,572    |
|  | Netherlands                        | 827,679    |
| Sub-total                                    |                                    | 981,251    |
| Montenegro                                   |                                    |            |
|  | European Commission                | 4,675      |
| Sub-total                                    |                                    | 4,675      |
| Serbia                                       |                                    |            |
|  | Council of Europe Development Bank | 517,181    |
|  | European Commission                | 477,683    |
|  | Germany                            | 190,840    |
|  | Norway                             | 1,145,663  |
|  | Russian Federation                 | 780,000    |
|  | United States                      | 1,000,000  |
| Sub-total                                    |                                    | 4,111,366  |
| The former Yugoslav<br>Republic of Macedonia |                                    |            |
|  | Norway                             | 1,172,287  |
| Sub-total                                    |                                    | 1,172,287  |
| Total  |                                    | 24,194,756 |